



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

1594 West North Temple, Suite 1210  
PO Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5340 telephone  
(801) 359-3940 fax  
(801) 538-7223 TTY  
www.nr.utah.gov

Michael O. Leavitt  
Governor  
Robert L. Morgan  
Executive Director  
Lowell P. Braxton  
Division Director

June 19, 2002

Gene L. Decker  
Vice President Production  
Morton Salt – A Roam and Haas Company  
123 North Wacker Drive  
Chicago, Illinois 69696-1743

Re: Formal Approval of Form and Amount of Replacement Reclamation Surety, Morton International (Morton Salt – A Roam and Haas Company), Morton Salt – Grantsville Mine, M/045/037, Tooele County, Utah

Dear Mr. Decker:

On June 18, 2002, the Director of the Division of Oil, Gas and Mining formally approved the form and amount of the updated reclamation surety for Morton International's Morton Salt – Grantsville mine. The Division performed a five-year review of the reclamation surety and it was determined that there had been only minor changes at the facility since the bond was originally calculated in 1993. Therefore, we only needed to escalate the present bond for a five-year period.

The reclamation surety bond \_\_\_\_\_ issued by Safeco Insurance Company of America was updated from \$1,273,000 to \$1,819,600 via a rider and is now escalated to year 2007. *The Division hereby grants its final approval of the replacement reclamation surety for the Morton Salt – Grantsville Mine.* We have enclosed a copy of the fully signed and executed Reclamation Contract along with a copy of the existing surety bond with rider for your files.

Thank you for your help and patience in finalizing this permitting action. Please call me if you have any questions in this regard.

Sincerely,

D. Wayne Hedberg  
Permit Supervisor  
Minerals Regulatory Program

jb  
Enclosure  
cc: Jim Huizingh, Morton International, Utah - w/Encl  
O:\M045-Tooele\M0450037-morton salt-grantsville\draft\updated-surety.doc

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
1594 West North Temple Suite 1210  
Box 145801  
Salt Lake City, Utah 84114-5801  
(801) 538-5291  
Fax: (801) 359-3940

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/045/037  
(Mineral Mined) Solar Slat (NaCl) from the Great Salt Lake

"MINE LOCATION":  
(Name of Mine) Morton Salt - Grantsville  
(Description) The Facility is located in Tooele county approximately 30 miles west of Salt Lake City.

"DISTURBED AREA":  
(Disturbed Acres) 7.849 acres  
(Legal Description) (refer to Attachment "A")

"OPERATOR":  
(Company or Name) Morton Salt-A Roam and Haas Company  
(Address) 123 N Wacker Drive  
Chicago, IL 69696-1743  
(801) 933-4400

(Phone) \_\_\_\_\_

**RECEIVED**

APR 23 2002

DIVISION OF  
OIL, GAS AND MINING

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone)

Fabian & Clendenin

215 South State Street

P.O. Box 510210

Salt Lake City, Utah 84151

(801) 531-8900

"OPERATOR'S OFFICER(S)":

Walter W. Becky-President Salt Group

Gene L. Decker-Vice President Production/

Engineering Salt Group

"SURETY":

(Form of Surety - Attachment B)

Surety Bond

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Safeco Insurance Company of America

Bond No. \_\_\_\_\_

"SURETY AMOUNT":

(Escalated Dollars)

\$1,819,600.00

"ESCALATION YEAR":

2007

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA": Morton Salt- A Roam and Hass Company

B "SURETY": Bond Number 5343223

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Morton Salt the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/045/037 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the original Notice of Intention dated November 4, 1991, and the original Reclamation Plan dated November 4, 1991. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's

request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Morton Salt - A Roam and Haas Company  
Operator Name

By Gene L Decker  
Authorized Officer (Typed or Printed)

VP OPERATIONS - SALT GROUP  
Authorized Officer - Position

Gene L Decker  
Officer's Signature

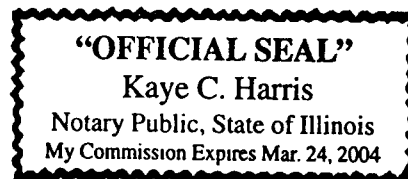
April 16, 2002  
Date

STATE OF ILLINOIS )  
COUNTY OF COOK ) SS

On the 16<sup>th</sup> day of APRIL, 20 02, GENE L. DECKER  
personally appeared before me, who being by me duly sworn did say that he/she is the  
VICE PRESIDENT of OPERATIONS - SALT GROUP and duly  
acknowledged that said instrument was signed on behalf of said company by authority  
of its bylaws or a resolution of its board of directors and said GENE L. DECKER  
duly acknowledged to me that said company executed the same.

Kaye C. Harris  
Notary Public CHICAGO,  
Residing at ILLINOIS

MARCH 24, 2004  
My Commission Expires:



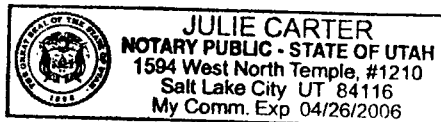
DIVISION OF OIL, GAS AND MINING:

By Lowell P. Braxton  
Lowell P. Braxton, Director

6-18-02  
Date

STATE OF UTAH )  
 ) ss:  
COUNTY OF Salt Lake )

On the 18 day of June, 2002, Lowell P. Braxton personally appeared before me, who being duly sworn did say that he/she, the said Lowell P. Braxton is the Director of the Division of Oil, Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly acknowledged to me that he/she executed the foregoing document by authority of law on behalf of the State of Utah.



Julie Carter  
Notary Public  
Residing at: Salt Lake City, UT

4-26-2006  
My Commission Expires:

## ATTACHMENT "A"

Morton Salt - A roam and Haas Company  
Operator

Morton Salt - Grantsville  
Mine Name

M/045/037  
Permit Number

Tooele County, Utah

### LEGAL DESCRIPTION

*Include 1/4, 1/4, 1/4 sections, townships, ranges and any other descriptions that will legally determine where disturbed lands are located. Attach a topographic map of suitable scale (max. 1 inch = 500 feet; 1 inch = 200 feet or larger scale is preferred) showing township, range and sections and a clear outline of the disturbed area boundaries tied to this Reclamation Contract and surety.*

The detailed legal description of lands to be disturbed includes portions of the following lands not to exceed 7,849 acres under the approved permit and surety, as reflected on the attached map labeled A.L.T.A. Survey - Morton International and dated (received 4/2/93): Stansbury Island

7,849 acres located in

Township: 1N Range: 5W Section: 19

Township: 1N Range: 6W Sections: 24, 25, 26, 32, 33, 34, 35

Township: 1S Range: 5W Sections: 16, 19, 20, 21

Township: 1S Range: 7W Sections: 1, 2, 3, 10, 11, 12, 13, 14, 15

Township: 1S Range: 6W Sections: 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15,  
16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26,  
27, 28, 29

The disturbed areas are composed of:

Minesite (Pond system; operating, storage, and disposal areas)	7,686 acres
Access/Haul Roads; Conveyors	130 acres
Associated On-site Processing Facilities	33 acres



## ATTACHMENT B

MR FORM 6  
Joint Agency Bonding Form

(April 8, 1993)

Bond Number \_\_\_\_\_  
Permit Number M/045/037  
Mine Name Morton Salt Grantsville

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
Division of Oil, Gas and Mining  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

### THE MINED LAND RECLAMATION ACT

#### SURETY BOND

\*\*\*\*\*

The undersigned MORTON INTERNATIONAL, INC. as Principal,  
and SAFECO INSURANCE COMPANY OF AMERICA as Surety, hereby jointly and severally  
bind ourselves, our heirs, administrators, executors, successors and assigns unto the State of  
Utah, Division of Oil, Gas and Mining, and \_\_\_\_\_  
in the penal sum of One million two hundred seventy- dollars (\$ 1,273,000.00-----).  
three thousand and no/100-----

Principal has estimated in the Mining and Reclamation Plan approved by the  
Division of Oil, Gas and Mining on the 1st day of June, 19 95, that 7,849  
acres of land will be disturbed by this mining operation in the State of Utah.

A description of the disturbed land is attached as "Attachment A" to the  
Reclamation Contract of which this document is an integral part.

The condition of this obligation is that if the Division determines that Principal has  
satisfactorily reclaimed the disturbed lands in accordance with the approved Mining and  
Reclamation Plan and has faithfully performed all requirements of the Mined Land Reclamation  
Act, and complied with the Rules and Regulations adopted in accordance therewith, then this  
obligation shall be void; otherwise it shall remain in full force and effect.

If the Mining and Reclamation Plan provides for periodic partial reclamation of the  
disturbed lands, and if the lands are reclaimed in accordance with such Plan, Act and  
regulations, then Principal may apply for a reduction in the amount of this Surety Bond.

In the converse, if the Mining and Reclamation Plan provides for a gradual increase in the area disturbed or the extent of disturbance, then, the Division may require that the amount of this Surety Bond be increased, with the written approval of the Surety.

This bond may be canceled by the Surety after ninety (90) days following receipt by the Division and Principal of written notice of such cancellation. Surety's liability shall then, at the expiration of said ninety (90) days, cease and terminate except that Surety will remain fully liable for all reclamation obligations of the Principal incurred prior to the date of termination.

Principal and Surety and their successors and assigns agree to guarantee said obligation and to indemnify, defend, and hold harmless the Division from any and all expenses (including attorney fees) which the Division may sustain in the collection of sums due hereunder.

Surety will give prompt notice to Principal and to the Division of the filing of any petition or the commencement of any proceeding relating to the bankruptcy, insolvency, reorganization, or adjustment of the debts of Surety, or alleging any violation or regulatory requirements which could result in suspension or revocation of the Surety's license to do business.

IN WITNESS WHEREOF, the Principal and Surety hereunto set their signatures and seals as of the dates set forth below.

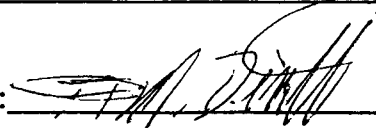
Date: 11/16/93

MORTON INTERNATIONAL, INC.

Principal (Permittee)

By (Name typed): Thomas F. McDevitt

Title: VP Finance & CFO

Signature: 

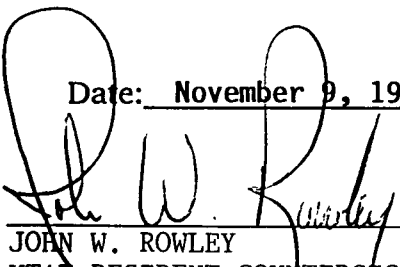
Date: November 9, 1993

SAFECO INSURANCE COMPANY OF AMERICA  
Surety

By: (Name Typed) Carla E. Romoser

Title: Attorney-in-Fact

Signature: 

  
JOHN W. ROWLEY  
UTAH RESIDENT COUNTERSIGNING  
AGENT

SO AGREED this 24th day of May, 1995.




Dave D. Lauriski, Chairman  
Board of Oil, Gas and Mining

\*NOTE: Where one signs by virtue of Power of Attorney for a Surety Company, such Power of Attorney must be filed with this bond. If the Principal is a corporation, the bond shall be executed by its duly authorized officer.

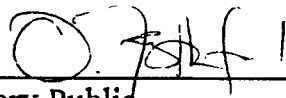
### AFFIDAVIT OF QUALIFICATION

Carla E. Romoser, being first duly sworn, on oath deposes and says that he/she is the (officer or agent) Attorney-in-Fact of said Surety, and that he/she is duly authorized to execute and deliver the foregoing obligations; that said Surety is authorized to execute the same and has complied in all respects with the laws of Utah in reference to becoming sole surety upon bonds, undertakings and obligations.

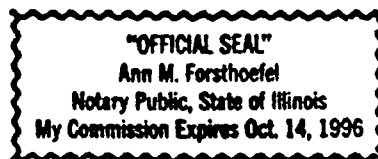
Signed:   
Surety Officer

Title: Attorney-in-Fact

Subscribed and sworn to before me this 9th day of November, 19 93.

  
Notary Public  
Residing at: 6107 N. Winthrop, Chicago, Illinois 60660

My Commission Expires:



\_\_\_\_\_, 19\_\_\_\_.



POWER  
OF ATTORNEY

SAFECO INSURANCE COMPANY OF AMERICA  
GENERAL INSURANCE COMPANY OF AMERICA  
HOME OFFICE: SAFECO PLAZA  
SEATTLE, WASHINGTON 98185

KNOW ALL BY THESE PRESENTS:

No. \_\_\_\_\_

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint  
\*\*\*\*\*DAVID W. JONES; ROBERT P. POWERS; CARLA E. ROMOSER; ANN FORSTHOEFEL, Chicago, Illinois\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this 4th day of January, 19 93.

CERTIFICATE

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. - FIDELITY AND SURETY BONDS . . . the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business . . . On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
  - (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
  - (iii) Certifying that said power-of-attorney appointment is in full force and effect,
- the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R. A. Pierson, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 9th day of November, 19 93.

**R I D E R**

To be attached to and form part of:

Bond Number \_\_\_\_\_  
effective 11/16/1993  
issued by the SAFECO INSURANCE COMPANY OF AMERICA  
in the amount of \$1,273,000.00  
on behalf of MORTON INTERNATIONAL, INC.  
\_\_\_\_\_  
(Principal)  
and in favor of STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES  
\_\_\_\_\_  
(Obligee)  
on mining of 7,849 acres of land  
\_\_\_\_\_

Now therefore, it is agreed that in consideration of the premium charged, the attached bond shall be amended as follows:

The bond penalty shall be in    creased as follows:

FROM: One Million Two Hundred Seventy-Three Thousand and 00/100  
\_\_\_\_\_  
( \$1,273,000.00 )  
TO: One Million Eight Hundred Nineteen Thousand Six Hundred and 00/100  
\_\_\_\_\_  
( \$1,819,600.00 )

It is further understood and agreed that all other terms and conditions of this bond shall remain unchanged.

This Rider is to be Effective the 15th Day of March 19 2002 .  
Signed, Sealed & Dated this 15th Day of March 19 2002 .

MORTON INTERNATIONAL, INC. (Principal)

By: Gail P. Granoff  
Gail P. Granoff, Corporate Secretary

SAFECO INSURANCE COMPANY OF AMERICA (Surety)

By: Brenda D. Hockberger  
Brenda D. Hockberger, Attorney-in-Fact

**RECEIVED**

2002

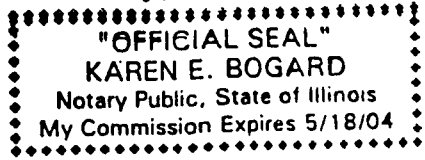
DIVISION OF  
OIL, GAS AND MINING

and  
in the  
INES  
d the

TE OF  
JNTY OF ILLINOIS  
COOK

his 15th day of March, 20 02, before me personally appeared  
Brenda D. Hockberger, known to me to be the Attorney-in-Fact  
Safeco Insurance Company of America, the corporation that executed  
within instrument, and acknowledged to me that such corporation executed the same.

WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal, at my office  
he aforesaid county, the day and year in this certificate first written above.



Karen E. Bogard  
(Notary Public)

A. f  
goir  
rect,  
WIT

No. \_\_\_\_\_

**NOW ALL BY THESE PRESENTS:**

That SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA, each a Washington corporation, does each hereby appoint  
\*\*\*\*\*BRENDA D. HOCKBERGER; ANN FORMHALS; DONNA WRIGHT; GARRY L. WESSELINK; DEBRA KOHLMAN; DIANE M. O'LEARY; WILLIAM REIDINGER;  
AMY WICKETT; KAREN E. BOGARD; MATTHEW V. BUOL; CAROLYN KIRKBY; SYLVIA J. GARCIA; STEVEN B. CADE; Chicago, Illinois\*\*\*\*\*

to be true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character  
issued in the course of its business, and to bind the respective company thereby.

IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA and GENERAL INSURANCE COMPANY OF AMERICA have each executed and  
these presents

this 16th day of March, 2000

*R.A. Pierson*

R.A. PIERSON, SECRETARY

*W. Randall Stoddard*

W. RANDALL STODDARD, PRESIDENT

**CERTIFICATE**

Extract from the By-Laws of SAFECO INSURANCE COMPANY OF AMERICA  
and of GENERAL INSURANCE COMPANY OF AMERICA:

"Article V, Section 13. - FIDELITY AND SURETY BONDS ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that  
purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to  
execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any  
instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or  
undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not  
be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of SAFECO INSURANCE COMPANY OF AMERICA  
and of GENERAL INSURANCE COMPANY OF AMERICA adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, R.A. Pierson, Secretary of SAFECO INSURANCE COMPANY OF AMERICA and of GENERAL INSURANCE COMPANY OF AMERICA, do hereby certify that the  
foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and  
correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the facsimile seal of said corporation

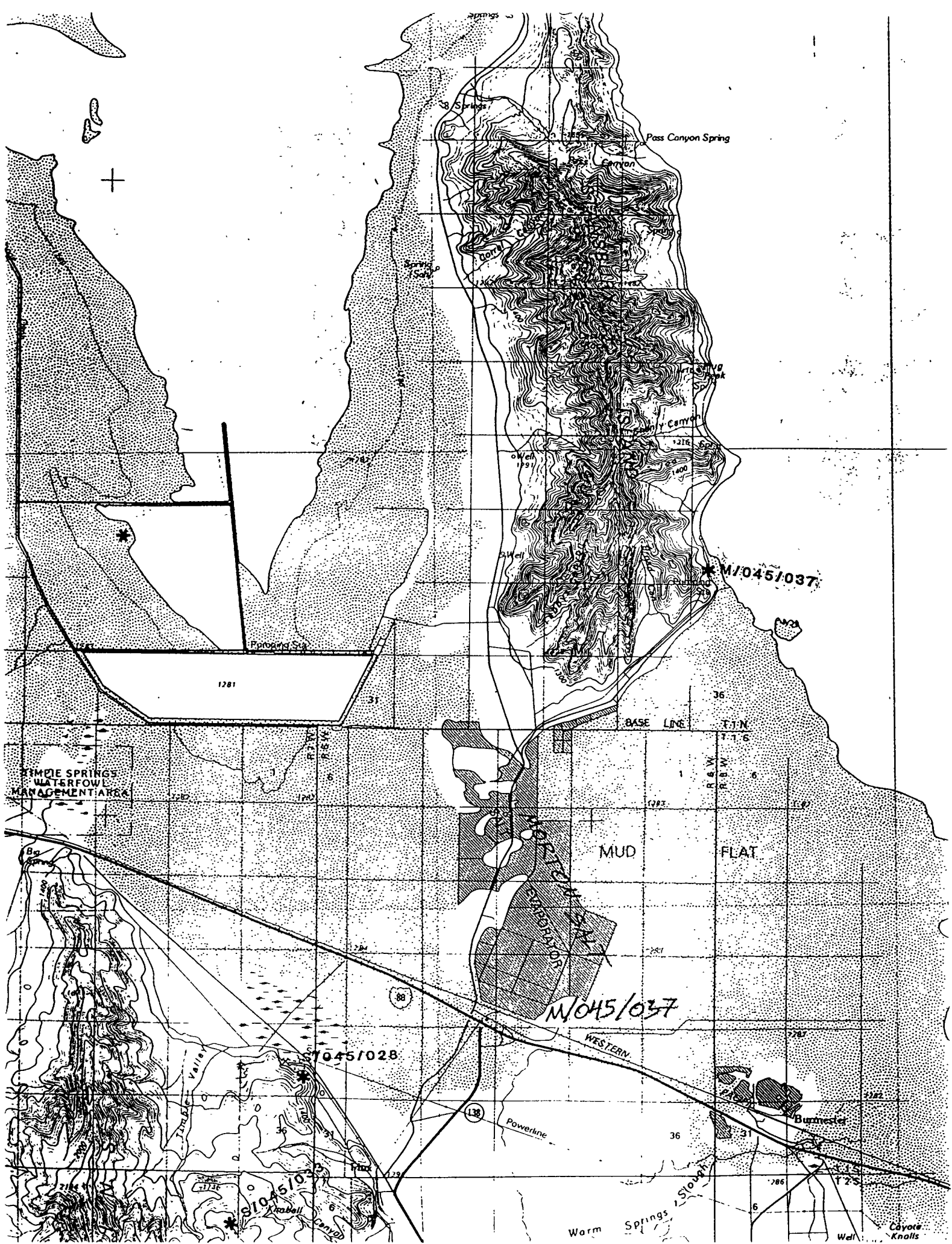
this 15th day of March, 2002



*R.A. Pierson*

R.A. PIERSON, SECRETARY





# SURETY ESTIMATE UPDATE

Morton International, Inc

Morton Salt Grantsville Facility

M/045/037

Tooele County

Prepared by Utah Division of Oil, Gas & Mining

Last Update

1/24/02

## DESCRIPTION:

Previous Reclamation surety estimate was \$1,273,000 in year 1998 dollars

Reclamation Estimate base amount calculated in 1993-\$

**\*\*\* 11,000 ft of main inlet canal to be backfilled w/bank material, regraded, recontoured & seeded as per the Morton reclamation commitment dated 4/25/95 added to surety estimate. (enclosed)**

**-All Structures to be removed/demolished**

**-Six barriers around propane tank to be removed - tanks leased**

**-Water wells (4 @ 800 ft deep) to be abandoned according to rules.**

**-Dikes highlighted on Dike Leveling Map submitted by Morton on 3/29/93 to be leveled within 1 ft of present pond levels.**

**All underground gas, water, & conduit piping to be excavated & removed.**

**Water tank excavated & removed; asphalt at mill site removed.**

**Areas to be ripped & revegetated shown on "Reclamation Site Map"**

-Escalation factors through 2000 are actual Means Historical Cost Indices

-Total disturbed area = 163 acres

CALCULATIONS	YR	ESCAL FACTOR	BOND AMOUNT
$F = P(1 + i)^{**n}$	1990	0.0077	\$0.00
	1991	0.0127	\$0.00
	1992	0.0221	\$0.00
	1993	0.0261	\$1,186,700
	1994	0.0321	\$1,224,793
	1995	0.0193	\$1,267,202 ***
	1996	0.0242	\$1,297,868
	1997	0.0236	\$1,328,498
F = Future Sum	1998	0.0502	\$1,395,189
P = Present Sum	1999	0.0200	\$1,423,092
i = Escalation Factor	2000	0.0312	\$1,467,493
n = number of periods	2001	0.0312	\$1,513,279
	2002	0.0312	\$1,560,493
Three Yr Average = 3.12%	2003	0.0312	\$1,609,180
Used to Project 5 Yrs	2004	0.0312	\$1,659,387
From the Year 2000	2005	0.0312	\$1,711,160
	2006	0.0312	\$1,764,548
	2007	0.0312	\$1,819,602
Updated Surety Amount Rounded (2007-\$)			\$1,819,600
Average cost per acre =	\$11,163 (\$/ACRE)		

\*\*\*4/25/1995 - the reclamation of 11,000 ft of main intake canal was added to the plan, this added an additional \$18,770 (1995 costs) to the cost to reclaim the site. This amount was to be included as a part of the surety costs during the 1998 bond escalation. (Documentation Enclosed)